

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS**

December 13, 2010 – 4:00 PM

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
.....

Present: Chad Mitchell, Chairman
Carl Ford, Vice-Chairman
Jon Barber, Member
Raymond Coltrain, Member
Jim Sides, Member

County Manager Gary Page, Clerk to the Board Carolyn Athey, County Attorney Jay Dees and Finance Director Leslie Heidrick were present.

Chairman Mitchell convened the meeting at 4:00 pm.

Commissioner Coltrain provided the Invocation and also led the Pledge of Allegiance.

CONSIDER ADDITIONS TO THE AGENDA

Commissioner Sides moved to add a resolution approving the Board of Commissioners 2011 meeting schedule to the agenda. The motion was seconded by Commissioner Barber and passed unanimously.

Chairman Mitchell added the resolution as agenda item #6a.

CONSIDER DELETIONS FROM THE AGENDA

There were no deletions from the agenda.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Coltrain moved, Commissioner Barber seconded and the vote to approve the agenda passed unanimously.

1. PUBLIC COMMENT PERIOD

Chairman Mitchell opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. The following individuals came forward:

- David Carman addressed the Board regarding the proposed restructuring for the Senior Services Department and said he felt the best option was to place the department under the Rufty Holmes Senior Center.

With no one else wishing to address the Board, Chairman Mitchell closed the Public Comment Period.

2. CONSIDER OPTIONS FOR REORGANIZATION OF SENIOR SERVICES & DEPARTMENT OF SOCIAL SERVICES

County Manager Gary Page highlighted the options in the agenda packet regarding the reorganization of the Senior Services Department (SSD).

Mr. Page said each scenario saved money; however, the fifth scenario impacted employees with regards to their benefits and retirement. Mr. Page noted that regardless of how the Board handled the SSD, a decision could still be made today concerning Rowan Transit System (RTS).

Commissioner Sides said the County Manager had done a good job in providing options to the Board. Commissioner Sides felt there could be ramifications for the Board's decision and that he would like for the Board to obtain additional information as to how other areas could be affected. Commissioner Sides then moved to appoint the County Manager as Interim Senior Services Director for sixty (60) days and to postpone a decision regarding the reorganization until a later date. The motion was seconded by Commissioner Barber.

Commissioner Mitchell said his preference was for scenario #5 and that he would like to include instructions for the County Manager to begin speaking with the Rufty-Holmes Senior Center Board as to how a transfer could take place.

Commissioner Barber said he was open to exploring the options further. Commissioner Barber said he did not want the sole focus to be on cost-cutting at the expense of senior citizens or veterans. Commissioner Barber asked for an update related to the Veterans Services Office.

Mr. Page said if RTS and Senior Services were set up separately, the Veterans Services Officer would report directly to the County Manager and would remain at the Rufty-Holmes Senior Center.

Commissioner Barber said he was a member of the Senior Services Advisory Council and the Rufty-Holmes Board and while there were synergies between the two (2) groups, there were also different issues discussed. Commissioner Barber said when considering option #5 and the merger for Senior Services under Rufty-Holmes Senior Center, he would like for the Commissioners to consider these as two (2) distinct boards.

Commissioner Coltrain said he also wanted the Commissioners to consider the effects on the current staff in the Senior Services Department. Commissioner Coltrain said there were long-term employees there and he did not want them, or the County, to lose the investment in them.

Commissioner Ford said the number one consideration was the services provided to seniors and veterans; however, he felt that close behind was the consideration to cut costs. Commissioner Ford said the Board had 60 days to review the affects of the proposed scenarios.

Upon being put to a vote, the motion on the floor to delay the decision for 60 days passed unanimously.

Commissioner Sides moved, Commissioner Barber seconded and the vote to separate the transportation department as suggested by the County Manager passed unanimously, effective December 1, 2010.

3. PRESENTATION OF FISCAL YEAR 2010 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Shane Fox, of Martin Starnes & Associates, CPAs, P.A., presented the County's Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2010.

Mr. Fox said Martin Starnes & Associates had rendered an unqualified audit report, which was the highest level of assurance the firm could issue regarding the accuracy of financial statements. Mr. Fox said the audit showed no findings or questionable costs. Mr. Fox praised the Finance Department for its cooperation in the audit process.

Mr. Fox discussed the audit process and highlighted the financial position of the County.

Commissioner Coltrain expressed appreciation for a positive report and thanked staff for their work.

Commissioner Barber said it was important to note the County did not have to take approximately \$7 million from Fund Balance as had been anticipated. Commissioner Barber said staff and directors should be applauded for controlling expenses during such a difficult economy.

Commissioner Barber moved to approve the CAFR for fiscal year ending June 30, 2010. The motion was seconded by Commissioner Coltrain.

Commissioner Sides referred to the Landfill Fund and said it was important for the public to understand that the County was putting money in the bank for the foreseeable need of building more cells at landfill.

Commissioner Ford expressed appreciation to staff and fellow board members for their hard work.

Chairman Mitchell thanked staff and county government as a whole for not spending every dime budgeted in an effort to keep the Fund Balance from declining.

Upon being put to a vote, the motion on the floor passed unanimously.

4. CONSIDER APPROVAL OF FY 2011 VEHICLES FINANCING PROPOSALS

Finance Director Leslie Heidrick said installment financing proposals were received for the purchase of two (2) ambulances for Emergency Services (EMS) and twelve vehicles (12) for the Sheriff's Department. The amount to be financed was \$515,300 for a three-year term. Ms. Heidrick said nine (9) bids were received and staff recommended approval of the low bid from Wells Fargo Bank, NA at an interest rate of 1.51%.

The bids were as follows:

	Interest Rate
Wells Fargo Bank, NA	1.510%
Fifth Third Bank	1.940%
RBC Bank	1.940%
SunTrust Bank	1.940%
SunTrust Equipment Finance & Leasing Corp.	2.025%
Branch Banking & Trust Co.	2.040%
Capital One Bank	2.190%
Pinnacle Public Finance	2.290%
Citizens South Bank	4.990%

Ms. Heidrick asked the Board to approve the Resolution and Declaration, as well as a new escrow account with Wells Fargo Bank, NA.

Commissioner Sides moved approval of the Resolution Authorizing the Execution and Delivery of An Installment Financing Contract and Related Instruments with Wells Fargo Bank, NA to Finance the Purchase of Two Ambulances and Twelve Vehicles. The motion was seconded by Commissioner Barber and passed unanimously.

The Resolution read as follows:

BE IT RESOLVED by the governing body for Rowan County, North Carolina (the "Purchaser"):

Section 1. The governing body does hereby find and determine:

- a) Rowan County proposes the purchase of vehicles, as more fully described in the hereinafter mentioned Contract (collectively, the "Project");
- b) After consideration, the governing body has determined that the most advantageous manner of financing thereof is by an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended;
- c) Pursuant to said Section 160A-20, Rowan County is authorized to finance the Project by installment contracts that create a security interest in the Project financed to secure repayment of the financing; and
- d) Wells Fargo Bank, NA ("Wells Fargo") has proposed that they finance the Project pursuant to an Installment Financing Contract (the "Contract"), amount not to exceed \$515,300, between the Purchaser and Wells Fargo.

Section 2. The governing body hereby authorizes and directs the Finance Director, Leslie E. Heidrick, to execute, acknowledge and deliver the Contract on behalf of the Purchaser in such form and substance as the person executing and delivering such instruments on behalf of the Purchaser shall find acceptable. The Clerk is hereby authorized to affix the official seal of Rowan County to the Contract and attest the same.

Section 3. The proper officer of the Purchaser, as named above, is authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution and the Contract.

Section 4. Notwithstanding any provision of the Contract, no deficiency judgment may be rendered against the Purchaser in any action for breach of a contractual obligation under the Contract and the taxing power of the Purchaser is not and may not be pledged directly or indirectly to secure any moneys due under the Contract, the security provided under the Contract being the sole security for Wells Fargo in such instance.

Section 5. The Purchaser covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986 (the "Code"), amended as required so that interest on the Purchaser's obligations under the Contract will not be included in the gross income of Wells Fargo.

Section 6. The Purchaser hereby represents that it reasonably expects that it, all subordinate entities thereof and entities issuing obligations on behalf of the Purchaser will not issue in the aggregate more than \$30,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2010. In addition, the Purchaser hereby designates the Contract and its obligations under the Contract as a "qualified tax-exempt obligation" for the purposes of the Code.

Section 7. This Resolution shall take effect immediately upon its passage.

Commissioner Sides moved approval of the new escrow account with Wells Fargo Bank. The motion was seconded by Commissioner Barber and carried unanimously.

5. REPORTS

The following reports were submitted for the Board's consideration:

(a) County Manager's Monthly Activity Report to the Board
Commissioner Coltrain moved to accept the reports as submitted. The motion was seconded by Commissioner Sides and passed unanimously.

6. CONSIDER APPROVAL OF BUDGET AMENDMENTS

Finance Director Leslie Heidrick presented the following budget amendments for the Board's consideration:

- Social Services – Increase expenditure and revenue line items for donations based on actual receipts to date - \$9,403
- Health Department – Additional Family Planning funds from the State to be used for the purchase of medical supplies for the program - \$8,339

Commissioner Sides moved approval of the budget amendment for the Department of Social Services. The motion was seconded by Commissioner Coltrain and passed unanimously.

Commissioner Barber moved approval of the budget amendment for the Health Department. The motion was seconded by Commissioner Coltrain and carried 3-2 with Commissioners Ford and Sides dissenting.

ADDITION

6a. Resolution Approving Board of Commissioners 2011 Meeting Schedule

Commissioner Sides moved, Commissioner Coltrain seconded and the vote to approve the Resolution Approving the Board of Commissioners 2011 Meeting Schedule passed unanimously.

The Resolution read as follows:

WHEREAS, the Rowan County Board of Commissioners recognizes the importance of accommodating and serving the citizens by providing the opportunity for their attendance at Commission meetings; *and*

WHEREAS, the Rowan County Board of Commissioners presently meets at 130 West Innes Street, Salisbury, North Carolina and holds its regular meetings the first and third Monday of each month at 4:00 pm and 7:00 pm respectively; *and*

WHEREAS, in regular session on December 6, 2010, the Board voted to continue to meet the first and third Monday of each month and to change the meeting times to 3:00 pm and 6:00 pm respectively; *and*

WHEREAS, the exceptions to the 2011 regular meeting schedule were approved as follows due to county-observed holidays:

- Change the January 17, 2011 Meeting to Tuesday, January 18, 2011
- Change the July 4, 2011 Meeting to Tuesday, July 5, 2011
- Change the September 5, 2011 Meeting to Tuesday, September 6, 2011

NOW, THEREFORE BE IT RESOLVED that the Rowan County Board of Commissioners continues its' efforts to maintain a schedule that will accommodate the attendance of citizens at Board meetings.

7. ADJOURNMENT

There being no further business to come before the Board, Commissioner Barber moved to adjourn at 4:30 pm. The motion was seconded by Commissioner Coltrain and passed unanimously.

Respectfully Submitted,

Carolyn Athey, CMC, NCCCC
Clerk to the Board/Assistant to the County Manager